RAJYA SABHA

Thursday the 9th July, 1992/18 Asadha, 1914 (Saka)

The House met at eleven of the clock,

The Vice-Chairman (Shri Shankar Dayal Singh) in the Chair.

MEMBERS SWORN

1. Shri Parmeshwar Kumar Agarwal (Bihar)
2. Shri S. S. Ahluwalia (Bihar)
3. Shri Ram Deo Bhandari (Bihar)
4. Shri Gaya Singh (Bihar)
5. Shri Inder Kumar Gujral (Bihar)
6. Shri Ramendra Kumar Yadav 'Ravi' (Bihar)

उपसभाध्यक्ष (श्री शंकर दयाल सिंह) : सदन के जो नए सदस्य हुए हैं, जिन्होंने आज शपथ ग्रहण की है, उनके लिए मैं अपनी शुभकामनाएं अर्पित करता हूं और आशा करता हूं कि संविधान की मर्यादा के अनुरूप वे सदन के कार्यकलापों को सुचारू रूप से आगे बढ़ायेंगे ।

अब प्रश्नोत्तरकाल शुरू हो उसके पहले प्रधान मंत्री अपने मंत्री परिषद् के नए सदस्यों का परिचय आपसे करायेंगे ।

INTRODUCTION OF MINISTERS

THE PRIME MINISTER (SHRI P. V. NARASIMHA RAO): Sir, I have pleasure in introducing through you to the House a few colleagues of mine who have been inducted into the Council of Ministers recently.

1.	Shri Sukh Ram . . .	Minister of State (Independent Charge) of the Ministry of Planning and Programme Implementation and Minister of State in the Ministry of Non-conventional Energy Sources.
2.	Shri R.L. Bhatia . . .	Minister of State in the Ministry of External Affairs.
3.	Col. Ram Singh . . .	Minister of State in the Ministry of Rural Development (Department of Wastelands Development).
4.	Smt. Krishna Sahi . . .	Minister of State in the Ministry of Industry (Department of Industrial Development).
5.	Smt. Sukhbans Kaur . .	Minister of State in the Ministry of Civil Aviation and Tourism (Department of Tourism).

ORAL ANSWERS TO QUESTIONS

Fall in domestic sale and export of Maruti Cars

*21. DR. BAPU KALDATE:†
SHRIMATI KAMLA SINHA:

Will the PRIME MINISTER be pleased to state:

(a) what is the percentage of anticipated fall in the domestic sale and export of Maruti cars during the year 1992-93 as compared to the year 1991-92;

(b) what is the anticipated fall in the foreign exchange earnings as a result of fall in the export of Maruti Cars;

(c) what are the reasons for decline in the domestic sale as also in the export of these cars;

(d) what is the target set for the export of these cars during 1992-93; and

(e) the manner in which Government propose to minimise the fall in its export?

†The question was actually asked on the floor of the House by Dr. Bapu Kaldate.

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. K. THUNGON): (a) to (e) A Statement is laid on the Table of the House.

Statement

Domestic sales of Maruti vehicles in 1992-93 are not expected to decline as compared to 1991-92. As far as exports are concerned, the emission regulations in EC countries are changing from 1-1-93 and the existing Maruti-800 car would not be eligible for sale in these countries. In addition, exports to Yugoslavia have declined due to political reasons. MUL is trying to modify the engine and exhaust system of this car to meet the transitional regulations applicable from 1-1-93 till end of 1994. The exports during 1992-93 would thus largely depend on whether MUL is successful in modifying the car to pass the emission tests. The results of these tests would be known by September 1992. If tests are successful, MUL exports would be near the level of 1991-92.

डा० बापू कालदाते : उपसभाध्यक्ष जी, यह मेरी बहुत दिनों की शिकायत है कि जो जवाब देते हैं वह पूरा नहीं देते । एक नई बुरी आदत मंत्रालयों को लग रही है कि जो सवाल हम पूछते हैं उसका विस्तृत जवाब देना वह टाल देते हैं और फिर सप्लीमेंट्री ज्यादा पूछें इसके लिए शायद करते होंगे । लेकिन यह ठीक नहीं है इतना मैं आपको कहता हूं ।

श्री वीरेन जे० शाह : इसका मैं भी समर्थन करता हूं । पिछले 6 महीनों से यह खास नजर आ रहा है ।

उपसभाध्यक्ष (श्री शंकर दयाल सिंह): लेकिन सवाल पूछने दीजिए ।

डा बापू० कालदाते : यह पहले मैं आपके सामने शिकायत पेश करता हूं और फिर मैं सवाल पूछता हूं । क्योंकि उन्होंने यह कहा है कि वर्ष 1991-92 की तुलना में 1992-93 में मारुति वाहनों की घरेलू बिक्री में कमी आने की संभावना नहीं है लेकिन वह 1991-92 की बात कर रहे हैं जबकि 1990-91 में जहां तक मेरी जानकारी है 1 लाख 15 हजार कारों की खपत देश में हो गई अब 1991-92 में कारों की खपत 94 हजार हो गई । तो क्या इसका मतलब इतना ही है कि 94 हजार तक आप पहुंचेंगे लेकिन 1990-91 वाला जो 1 लाख 15 हजार का लक्ष्य था या पूरा किया था उसको आप पूरा नहीं करेंगे ? दूसरा इससे उत्पन्न होने वाला प्रश्न यह है कि आपके विदेश में जो बेची जाती है उसमें ई०ई०सी० देशों में जो नए उत्सर्जन अधिनियम बनाए हैं इसके मुताबिक आप की 800 नंबर वाली जो कार है वह बाहर बेची नहीं जाएगी, ऐसा लगता है । क्या ये दो कारण हैं कि यहां की खपत कम है, बाहर माल नहीं जा रहा है इसी के लिए क्या आपने सुजुकी के साथ 50 परसेंट इक्विटी पार्टिसिपेशन की जो बात की है, वह उसी के कारण की है ? अगर की है और अगर पार्टिसिपेशन हो चुका है तो उसका संभाव्य परिणाम कार्यकलापों में और व्यवस्थापन पर क्या होने वाला है ?

SHRI P. K. THUNGON: Sir, so far as evading the question is concerned, I can assure the hon. Member that we have never tried to evade any question and tried to answer to the point. As regards the reasons for decline in the domestic sale and export of these cars, I would like to inform the hon. House that it is a fact that last year we did not have a good market because of the increase in the price of Maruti cars. As a result the domestic sale came down. The reasons were quite obvious. The excise duty which was 52.5 per cent was increased to 66 per cent. Then the rupee devaluation took place. As a result again there was another decline of 23 per cent. Another factor was, the buyers could not have enough money due to money crunch in the market. These were the reasons why our sale came down. Because of the increase of input price, excise duty and other aspects, the production cost went up and the prices of cars had to be increased. Therefore, the sale came down. Now the excise duty has been brought down and we expect that the sale will pick up this year.

As far as export of Maruti cars is concerned, we had a target of exporting about 25000 Maruti cars and we have exported. But due to political reasons in two countries, Yugoslavia and the then USSR we could not meet our target. We got an order for 5000 Maruti cars from the then USSR. But due to political reasons there we could not supply the cars. We were supposed to supply 2000 cars out of 5000 last year but we could not do that due to political reasons there. So, these were the reasons why we could not improve the sale last year. The hon. Member wanted to know whether, in future, we apprehend to have any decline in further sales. I would like to assure the hon. Member that we are examining it. In European Community countries the emission standards have been made very drastic, which is going to take place or which is going to be effective from 1.1.1993. We are taking appropriate steps by rectifying the present 800 cc Maruti cars so that these emission standards can be kept.

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Mr. Minister, I have to cover more questions. You are giving answer to a question and you are not giving answer to a discussion. So, please be concise.

डा० बापू कालदाते : उपसभाध्यक्ष महोदय, उन्होंने जवाब नहीं दिया है । उन्होंने यह जवाब दिया है कि सुजूकी के साथ 50 परसेंट इक्विटी पार्टिसिपेशन जो किया है, इसके कारण क्या है, अन्य कुछ कारणों से किया है और अगर वह किया है तो उसका मारुती उद्योग के व्यवस्थापन पर और उसके कार्यकलापों पर क्या असर होगा ?

SHRI P. K. THUNGON: Sir, I was coming to that question. In the meantime, you intervened. I would like to answer that question. Because of these emission standards in Europe, unless we prepare right from now, we would not be able to get our market there. Moreover, after 1.1.1994 the standards applicable are going to be much more drastic. For that purpose, we have taken steps. To meet the transitional period from 1.1.1993 to 1.1.1994, we are trying to improve Maruti 800 cc and informal tests are being carried out. This modification is going on in Italy at present. We expect the results by September of this year. From 1994 January, since simple modification will not be useful or enough, we have to produce an entirely new model of Maruti 800 cc. That is being done by Suzuki Motors. That is why we have decided—we don't have enough funds to invest to expand Maruti Udyog Limited—that Suzuki Motors can invest and can modify and we can still have the market in Europe. Moreover, Sir it is for the information of the hon. Member, the Suzuki Motors have agreed to discontinue the small car from Japan and the small cars sales infrastructure that have in Europe will be entirely given to Maruti Udyog and from 1993-94 we will be able to improve the sales there.

उपसभाध्यक्ष (श्री शंकर दयाल सिंह): श्रीमती कमला सिन्हा ।

डा० बापू कालदाते : उपसभाध्यक्ष महोदय, अभी मेरा दूसरा सवाल नहीं हुआ है । इसलिए मैं यह पूछ रहा था क्योंकि पहले के जवाब में उत्तर नहीं आया है । मैं यह पूछ रहा हूं कि 50 परसेंट पार्टिसिपेशन के परिणामस्वरूप क्या यह मारुती उद्योग पब्लिक अंडरटेकिंग के दायरे में रहेगा या इसका कुछ नया स्वरूप बन रहा है ? अगर नया स्वरूप बन रहा है तो उसके व्यवस्थापन की क्या व्यवस्था होगी और अंत में यह भी पूछना चाहूंगा कि वर्ष 1992-93 का आपका टार्गेट क्या है ?

SHRI P. K. THUNGON: Sir, for 1992-93 our target is 25,000 vehicles to be exported. As regards the structure of the management of Maruti Udyog, 50 per cent of the directors will be Government representatives and 50 per cent of the directors will be Suzuki nominees. Naturally, whatever law is applicable here would be applicable to them.

SHRIMATI KAMLA SINHA: Sir, this is very unfortunate. The Minister's

answer is very misleading. If you go through the question you will see in Question (b) that we have asked, "What is the anticipated fall in foreign exchange earnings as a result of fall in the export of Maruti cars?" The Minister has not replied to that. Then, we have also asked: "What are the reasons for decline in the domestic sale as also in the export of these cars?" Now easy market does not come into the picture. Why the domestic sale has fallen, he has not replied. My question is whether the Minister wants to reply to these questions.

AN HON. MEMBER: He has replied to all these question... (*Interruptions*).

SHRIMATI KAMLA SINHA: These questions he has not answered. He has already said in the statement laid on the Table that the emission regulations in European countries, East-European countries, are changing etc., etc. He has said all this. My question on this is whether it is a fact that the Maruti Udyog Ltd. was established to supply cheap cars to the common people of India; if that is so, how far it has been achieved, how far the aim has been achieved. My second question is... (*Interruptions*)...

AN HON. MEMBER: It is part(b).

उपसभाध्यक्ष (श्री शंकर दयाल सिंह): आप एक का जवाब ले लीजिए ।... (**व्यवधान**)... कमला जी, आप एक का जवाब ले लीजिए ...

श्रीमती कमला सिन्हा : महोदय, इसी क्वैश्चन का प्राट "बी" है कि यह इम्पोर्ट ड्यूटी का जो हाइक हो गया, जो दाम बढ़ाया गया वह क्या इसलिए है कि मारुति उद्योग में मारुति कार में जो सामान लगते हैं वह 60 से 70 प्रतिशत सामान विदेशी जापानीज कम्पोनेण्ट उसमें लगते हैं ? क्या इसलिए दाम बढ़ रहा है ? मैं यह जानना चाहती हूं ।

SHRI P. K. THUNGON: Sir, so far as the reason for the fall in domestic sale is concerned, I have already replied. So far as the apprehension that there will be a further fall in export is concerned, that also I have replied to some extent, but I can assure the hon. Member that we are taking all steps so that our export does not fall further. This I have explained.

SHRI KAMLA SINHA: What about the domestic market? What about the quality control? I would like to know whether it is a fact that the quality of Maruti car has gone down.

SHRI P. K. THUNGON: As regards the other two question about the aim, Sir, it is a fact that the Maruti Uuyog Ltd. was supposed to manufacture low-price cars. The aims and objectives were modernisation of automobile industry, production of fuel-efficient cars and large output of motor vehicles. To some extent we have achieved the target... (*Interruptions*)... No; we have achieved the target to some extent. It is a fact that though we started with Rs. 47,000/- per car as cost, we have not yet been able to maintain it. This is a fact.

The hon. Member wants to know what indigenisation is. I would like to give the figures about how much indigenisation has taken place—Maruti-800 Car, 94.11 per cent; Omni, 95.05 per cent; Gypsy, 80.07 per cent and 1000-Car, 79.40 per cent.

SHRI H. HANUMANTHAPPA: Sir, a part of my question is covered by Mrs. Kamla Sinha. Actually the very purpose of starting Maruti Udyog and Maruti Cars was to give a cheap car to the common man of this country, but the cost has gone up to Rs. 2 lakhs now. In our anxiety to sell the cars to outside countries and to earn foreign exchange, will the Government look into the local interests also wherein the man who was dreaming to have his own car at the cheapest price could get it? With the increased cost of the car, which is supposed to be the cheapest in India, an ordinary person cannot purchase it. Will the Government see to it that the original idea is realised? Of course, the Minister agreed that some portion of the objectives has been achieved. One of the

main objectives was to provide a cheap car to the middle-class man of this country. Will the Government consider it and keep the cost down? In our anxiety to sell and earn foreign exchange let not the car prices go beyond the reach of the common man of this country.

SHRI P. K. THUNGON: The increase in the price of the car is not because of only one or two reasons but also due to the overall impact of the economic situation of the country. Therefore, keeping in view the situation, the management will certainly try to keep the cost as low as possible.

SHRIMATI RENUKA CHOWDHURY: Sir, it costs almost a lakh of rupees for a question to be answered in the Parliament. Sir, through you I want to know whether it is not a fact that there is a big backlog of Maruti cars at your service centres because there is a defect in the axle of the car and that these axles are being sold in black. The company is replacing them free of cost to people who know about it and those people who do not know about it are buying the axles in black. Are we making these axles indigenously? If not, how are these axles available in the black market? What is the stand the company is taking towards their customers in clearing this doubt?

SHRI P. K. THUNGON: I will certainly look into it. This is an information.

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Mr. J. P. Mathur.

श्री प्रमोद महाजन : इनके पास तो "फिएट" है, "मारुति" कार ओनर्स को पूछने देना चाहिए ।

श्री जगदीश प्रसाद माथुर : अगर आप मदद दें, मैं खरीद लूंगा ।

क्या मंत्री महोदय को मालूम है कि बहुत बड़े भ्रष्टाचार के कारण यह गिरावट आई है? क्या यह सच नहीं है कि सी०बी०आई० ने पिछले डायरेक्टर श्री भार्गव के खिलाफ मुकदमा चलाने की अनुमति डस्ट्री मिनिस्टर से मांगी थी ? रेणुका जी ने एक्सल की बात कही है, अनेकों कारें बगैर एकाउंट किए हुये सरकारी अफसरों को बेची गई हैं, यह मेरा जिनका है। मैं जानना चाहूंगा, दोनों जो हिस्से मेरे प्रश्न के हैं, कि इस भ्रष्टाचार की जानकारी आपको है या नहीं है और जो सी० ी०आई० ने केस रजिस्टर करने के लिए आपसे इजाजत मां ी थी मिस्टर भार्गव के खिलाफ, आपने उसका क्या किया और जो मैंने आपसे पूछा है कि क्या जो पचासों गाड़ियां बगैर एकाउंट के अफसरों को बेची गई हैं, इसकी क्या आप इंक्वायरी कराएंगे ?

SHRI P. K. THUNGON: It is not very much related. I would like to... (*interruptions*)...

SHRI JAGDISH PRASAD MATHUR: It is related गिरावट आई है, वह र के कारण आई है ।

SHRI P. K. THUNGON: I am replying... (*Interruptions*)...

SHRI PRAMOD MAHAJAN: He is taking about free sale. It is related to cost... (*Interruptions*)...

SHRI P. K. THUNGON: At the first instance I would like to inform you about the right position. Mr. Bhargava is not ex-CMD but he is the CMD. The second part... (*Interruptions*)...

श्री जगदीश प्रसाद माथुर : मेरा सवाल यह नहीं है । एम०डी० तो हैं, लेकिन क्या सी०बी०आई० ने आपसे केस रजिस्टर करने की इजाजत मांगी और आपने नहीं दी ?

SHRI S. JAIPAL REDDY: Mr. Vice-Chairman, he is ex-CMD to the Government and the present CMD of Suzuki.

SHRI P. K. THUNGON: To the second part, though it is not very much connected and related to the question, I will reply. I answered today an Unstarred Question raised by Mr. Malviyaji and there I have stated the position of the case, the information about which you

are eliciting. I would simply like to say that there are allegations and they are being looked into. These are under active consideration.

SHRI JAGDISH PRASAD MATHUR: I am referring to the case. There is no allegation सी०बी०आई० ने आपसे परमिशन मांगी है या नहीं मांगी है, मुझे यह बताइए ?

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Q. No. 22... (*Interruptions*)...

SHRI SIKANDER BAKHT: It is a very straightforward question. Either say yes or no... (*Interruptions*)...

श्री प्रमोद महाजन : इसका जवाब आना चाहिए कि सी०बी०आई० ने परमिशन मांगी है या नहीं मांगी है ?

उपसभाध्यक्ष (श्री शंकर दयाल सिंह) : आपको इस बात की आजादी है कि अगर जवाब ठीक से नहीं मिलता है तो इस पर आप हाफ-एन-आवर डिस्कशन की डिमांड करें । लेकिन क्वेश्चन आवर... **(व्यवधान)**

श्री जगदीश प्रसाद माथुर : जवाब तो देना चाहिए कि उन्होंने मांगी है या नहीं मांगी है । ... **(व्यवधान)** ऐसा कैसे होगा ... **(व्यवधान)**

उपसभाध्यक्ष (श्री शंकर दयाल सिंह): क्वेश्चन नं० 22 ।

श्री जगदीश प्रसाद माथुर : श्रीमन्, मंत्री महोदय जवाब देना चाहते थे, आपने रोक दिया । वह जवाब दे रहे थे । ... **(व्यवधान)**

श्री प्रमोद महाजन : यह भ्रष्टाचार की सुरक्षा है । ... **(व्यवधान)** बिल्कुल भ्रष्टाचार को सुरक्षा देना चाहते हैं ।

श्री जगदीश प्रसाद माथुर: श्रीमन्, आप मेरे साथ ... **(व्यवधान)**

उपसभाध्यक्ष (श्री शंकर दयाल सिंह) : अब माथुर साहब, आपसे मैं अनुरोध करूंगा कि दूसरा सवाल बोल दिया है । अब फिर लौट करके नहीं जाऊंगा । चलिए बोलिए । ... **(व्यवधान)** Q. No. 22.

Compensation to workers

*22. SHRI P. UPENDRA:†
SHRI V. NARAYANASAMY:

Will the PRIME MINISTER be pleased to state:

(a) whether the Core Group of State Labour Ministers have recommended that the compensation to workers in case of closure of industries should be increased to 45 days wages of every year instead of 15 days at present; and

(b) whether Government have accepted the recommendations, and if so, by when is it likely to be implemented?

THE DEPUTY MINISTER IN THE MINISTRY OF LABOUR (SHRI PABAN SINGH GHATOWAR): (a) and (b) A statement is laid on the Table of the House.

Statement

The 40th Labour Ministers' Conference held on 6-2-92 decided to constitute a Group of Labour Ministers of five States under the Chairmanship of the Union Minister of State for Coal and Labour to further consider the recommendations of the Bipartite Committee on Industrial Relations Legislation which was headed by Shri Ramanujam and had submitted its report earlier to the Government. The Group of Labour Ministers in their meeting held on the 1st June, 1992 decided to recommend, *inter alia*, that the compensation to workers be increased from 15 to 45 days' wages in the case of closure for every completed year of continuous service. The Group is yet to

†The question was actually asked on the floor of the House by Shri P. Upendra.